

## *City of Falls Church*

Meeting Date:  01-11-10	Title: Resolution to Grant A Special Exception for Residential Development Within Mixed Use Projects Under Section 48-90 in a B-2, Central Business District On .64 Acres of Land Located at 350 South Washington Street	Agenda No.:  10 (b) (4)
Proposed Motion:  MOVE passage of TR10-09 on first reading; refer to the Planning Commission, Economic Development Authority, Housing Commission, and Architectural Review Board for recommendations; and schedule second reading and adoption for February 22, 2010.		
Originating Dept. Head: Suzanne Cotellessa, GM Dev. Services <b>SMC</b> 703.248.5040 <b>1-8-10</b>		Disposition by Council:
<b>City Manager:</b> Wyatt Shields 703.248.5004 <b>FWS 1-7-10</b>	<b>City Attorney:</b> John Foster 703.248.5010 <b>JEF 1-7-10</b>	<b>CFO:</b> John Tuohy 703.248.5092 <b>JHT 01-07-2010</b>

**REQUEST:** City Council is asked to consider a request for a special exception for residential development within mixed use projects, submitted by The Community Builders and the Falls Church Housing Corporation, to permit construction of an affordable senior housing project containing approximately 66 senior housing units and 1800 square feet of office space at 350 S. Washington Street.

**RECOMMENDATION:** Staff recommends that the City Council approve the first reading on January 11, 2010 and refer the resolution for recommendation and comment to boards and commissions, setting second reading and final consideration for February 22, 2010.

**BACKGROUND:** On November 20, 2009, an application was submitted by CC South Senior Apartments, L.P., a partnership between the Falls Church Housing Corporation and The Community Builders, Inc., a nonprofit developer of affordable housing, for a special exception to allow residential development in a mixed use project for the .64 acre property at 350 S. Washington St. The City Council and Planning Commission held a joint work session on the project January 4, 2010 to receive more detailed background on the project. On January 6, 2010, the applicant met informally with the Architectural Advisory Board to receive preliminary input on the building architecture. With first reading on January 11, 2010, the project will be referred to boards and commissions and the formal review process will begin.

## **PROPOSAL SUMMARY**

The proposed development consists of approximately 66,900 square feet of above-grade mixed use development consisting of 66 age-restricted (62+) senior affordable housing units (63 one bedroom and 3 two bedroom), supporting office/service/interior amenity spaces, and 1800 square feet of commercial (office) space, plus one level of below grade parking. The proposed building is four stories with a height of approximately 45 feet above grade. The first floor is envisioned to contain six dwelling units, the commercial office space, and shared amenity and management spaces. The upper floors contain the remaining 60 units and additional shared spaces. The residential portion of the proposed development and its associated amenity and service spaces would comprise 97% of the gross square footage of the building.

The applicant has requested two waivers that would be approved with the site plan for the project. The first waiver regarding parking lot landscaping proposes to eliminate parking lot landscape screening to the adjacent property; this waiver is very limited in nature as there are only two actual parking spaces on the subject property that are located between the building and an access aisle. The second waiver for the required 100' distance between a commercial entrance and a residential zone cannot be met anywhere along the Maple St. frontage and similar waivers have been necessary for all recent development actions since so many of the City's commercial properties are proximate to residential zones. This anomaly will be dealt with in the zoning ordinance rewrite currently under way.

The subject property is zoned B-2 and designated in the City's Comprehensive Plan as mixed use. Attachments 1 through 3, the subject application, parking study, and fiscal/financial issues discussion were provided to the City Council at its January 4th work session.

Staff has completed its preliminary review of the application materials and provides below an analysis of the special exception primary and secondary criteria, conceptual development plan/preliminary site plan, comprehensive plan, fiscal impact, parking, and traffic. Initial draft comments and questions were provided to the applicant regarding building design, site layout, parking, streetscape, green building, and similar issues. The applicant's draft response is provided as Attachment 4 to this report.

## **MIXED USE SPECIAL EXCEPTION ANALYSIS**

### **Overview:**

Overall, applications for Special Exceptions are to result in development that promotes the health, safety, and welfare of persons living and working in the area. Applications for special exceptions will be evaluated using the primary and secondary criteria as stated in the ordinance. The ordinance states that the primary criteria are essential to the character and well being of the city, whereas the secondary criteria are discretionary in nature.

Staff's analysis of the project's consistency with the primary and secondary criteria is shown below.

***Primary Criteria:***

***"The resulting development conforms to the City's adopted Comprehensive Plan and Design Guidelines."***

**Comprehensive Plan:**

The project proposed meets some of the goals in the Comprehensive Plan's Land Use Chapter and many of the goals in the Housing Chapter; however other key Comprehensive Plan Land Use and Economic goals are not met.

The subject site lies within the Comprehensive Plan's Future Land Use Area 6, South Washington Street corridor, and is noted as a potential redevelopment site and designated for Mixed Use redevelopment. Relevant land use and design recommendations for this area include:

- *Consolidate lots to accommodate higher density development*
- *Create development to promote a positive image of the City as part of a gateway*
- *Achieve consistent architectural goals (building materials, window types, roof overhangs, roof pitch, and porches).*

The proposed redevelopment scheme for this site is on a single lot within a property that is currently developed with three older office buildings. The proposed building does not relate well visually or architecturally with the two buildings that will remain.

The Comprehensive Plan also provides the following general guidance for this corridor as follows:

- *Development in this area should be physically linked with the City's Downtown and proposed City Center, as well as to the North Washington Street and Broad Street corridors.*
- *Improvements are to include streetscape features and pedestrian linkages. Innovative site planning and architectural concepts are to be employed which promote an urbanizing theme as the corridor stretches toward the City Center.*
- *This is to be achieved via graduated building heights and a range of development intensities.*

The applicant is being encouraged to provide improved streetscape features and additional pedestrian linkages such as crosswalks. This site is adjacent to the future City Center properties and could be at a higher intensity and height. Reducing the building footprint and adding to the building height to accomplish the same level of development could benefit the site layout, pedestrian linkages, and open space opportunities. However, the applicant advises that there are serious cost implications to adding a story to the building that would very negatively affect the project pro forma and jeopardize the project.

Courtesy review of the project by the Architectural Advisory Board highlighted the issue of building height and perspective when traveling down S. Maple Avenue from Broad Street. The applicant has been asked to consider the elevation change and consequent need to make sure that the larger elements of the building tie into the future scale of the neighborhood. Overall positive features of the building include bringing the building to the street edge and varying the front surfaces. The Architectural Advisory Board provided preliminary input to the product, noting that consistency with the urbanizing theme and nod to the future City Center could perhaps be best achieved by making sure that the building is better united in its theme, to include scale and detailing of modern elements without an inappropriate veneer of historic detail.

The Comprehensive Plan also establishes goals for a mixture of housing types in the City:

- *Seek to create new rental apartments in the City*
- *Continue to seek the creation of affordable housing...in redevelopment projects within the City*
- *Encourage the creative preservation, rehabilitation and production of housing affordable to persons with low and moderate incomes.*
- *Support and collaborate with nonprofit organizations (such as the Falls Church Housing Corporation (FCHC), in efforts to develop and operate affordable housing.*
- *Encourage the creation of supportive and accessible housing for persons with disabilities and senior citizens.*

This project meets these goals as it would provide approximately 66 new units of rental housing that is affordable for rental by seniors whose income is no more than sixty percent of median income for the Washington Primary Metropolitan Statistical Area. The proposed project meets the goal for collaboration with nonprofits to develop and operate such housing as it would be constructed through a partnership of the Falls Church Housing Corporation and The Community Builders, both nonprofit organizations. Under the current development scenario and financing guidelines, the apartments would be restricted to occupancy by residents all of whom must be age 62+. The applicant is currently researching the option to permit a limited percentage of the units to be occupied by persons over age 55 but under age 62 or by disabled persons of any age.

The City's Comprehensive plan also includes the following land use guidance:

- *Adopt a land use pattern and development plants that increase transportation efficiency and transit use, and decrease single occupancy automobile dependency.*
- *Encourage mixed-use development to move persons closer to business and shopping areas. Mixed-use is promoted in the City to create lively pedestrian environments, provide persons with the ability to potentially live, work, and shop in close proximity and to reduce automobile trips and improve quality of life.*

- *Develop pedestrian and bicycle trails that link recreational, residential, and commercial uses...to reduce the need for auto trips and increase residential-commercial linkages.*
- *Provide the appropriate level of commercial uses within the City that meet the needs of residents and supports the economic vitality of the City.*
- *Encourage commercial uses that will allow residents to meet their needs locally and reduce auto trips to outside of the City.*
- *Create the greatest level of net new, sustainable commercial space and commercial revenue as possible in the City.*
- *Ensure that parking solutions enhance the character and efficiency of commercial areas.*

The subject application does not provide any significant level of commercial uses but does propose a form, with higher ground level ceiling heights, that offers a visual aspect that is compatible with ground level commercial development and the human scale pedestrian experience. The unprogrammed commercial space of 1800 square feet could contain office uses that serve the residents of the project or nearby residents and visitors.

The applicant's submitted parking study supports the requested parking reduction for senior affordable housing, but incorporation of parking demand management measures in the conditions of approval would strengthen the case for the requested reduction.

The project should ensure as part of the site design and the parking demand management program that accessible pedestrian routes are available to improve access to nearby sites, including sidewalk and trail linkages as well as bus stops.

### **Design Guidelines:**

The City's Design Guidelines envisioned large structures of multifamily dwellings as part of mixed-use developments within the downtown or along major corridors. Chapter VI, Guidelines for Commercial and Office Buildings, of the City's Design Guidelines, adopted in December 2001, was used for this analysis.

The proposed building is located near the street edge and is broken by vertical and horizontal bays and a variety of building materials and colors. Early input from the Architectural Advisory Board is that the elevations should be reworked to create a more unified theme and to better prioritize the vertical or horizontal elements at key locations. The first floor has a higher ceiling to reflect the human scale and accentuate its predominant use as office space and common areas for the building.

The building uses a contemporary language but with disjointed traditional elements. The architecture is still a work in progress. The applicant has also scheduled a green building charrette to better define the ways in which the building will meet the commitment to EarthCraft Homes Multifamily-VA certification and Enterprise Green Communities standards. The expectation is that part of that program will include a green roof to address both green building and storm water requirements.

The primary entrance is placed in the middle of the long building façade along Fairfax Street and proposes a covered porch style entrance with a prominent vertical feature. The exterior materials should be consistent.

The primary entrance is appropriately placed in the middle of a long building and faces South Maple Avenue as well as the City Center South project. A streetscape, including the storefront facades, plantings, and street furniture provide a human-scaled pedestrian focus for this block. The applicant is encouraged to consider use of environmentally sensitive design principles as appropriate.

The applicant is currently working on the building and site design to better relate to the adjacent properties at 360 and 370 South Washington Street as well as to future development potential for these adjacent sites. Issues including maintenance of access easements and construction easements will need to be solved with adjacent property owners before a site plan for this project can be approved. Because the applicant has provided a preliminary site plan, many of these adjacency issues have been identified and are under discussion.

***“The resulting development provides for significant net new commercial square footage and allows for a mix of commercial and residential uses.”***

The project does not provide any significant new commercial square footage. Because it meets the fourth primary criterion, it is exempted from meeting this requirement.

***“The resulting development produces substantial positive net new commercial and residential revenue to the City.”***

As a predominantly affordable housing project, the net revenue for this development is negative compared to other special exception projects that the Council has approved over the past few years

An exemption to this special primary evaluation criterion is permissible because it meets the fourth primary criterion below, reaching a high threshold in terms of community benefit for affordable housing.

***“The resulting development in which 75% percent or more of its residential units qualify as affordable housing for low and moderate income purchasers or renters may be exempted from primary criteria 2 and 3”.***

Staff finds this criterion is met with the project as 100% affordable proposal.

**Secondary Criteria:**

***“The resulting development is not disproportionate to surrounding land uses and planned land uses in size, bulk, or scale.”***

The height of the proposed office building is consistent with the adjacent office buildings, but lower than the envisioned City Center project which may be 9 to 10 stories in this vicinity. The Virginia Village quadplexes are not as tall, but located across S, Maple

Avenue so the impact is somewhat diminished. Overall, the development as proposed is not substantially out of scale, but could be improved with added height and improved open space.

***“The resulting development does not overburden the existing community facilities, including the school, transportation, and water and sewer systems.”***

The City’s Fiscal Impact Model calculated and projects an annual deficit after year 1 of approximately \$40,000 (not including the City’s investment in the the property financing, debt service and tax relief as explained in Attachment 3). The age restricted apartments are not expected to contain any school age children.

The applicant submitted a traffic impact analysis for the project, which indicated that the traffic generated by the proposed project would not overburden the existing system and that the future impacts on overall traffic in the area are minimal. The proposed development will generate approximately 21 less weekly morning peak hour trips, and approximately 71 less trips (than the existing office build users) during the weekday afternoon peak hour trips. Site access intersections and the surrounding road network are expected to continue to operate at acceptable levels of service post development.

Water and sanitary sewer capacity is available and with sufficient capacity for the proposed site.

***“The resulting development provides community benefits, such as affordable housing.”***

The primary community benefit that the City would receive from this proposed project is affordable senior housing. The proposed project excels in this category since 100 percent of the residential portion of the development would be affordable, rental apartments. Rents at or less than 60% of local median income is a need in the City and larger community.

Other anticipated community benefits include the inclusion of green design practices such as a green roof system, and streetscape that will help to tie the building in with its surroundings; underground parking, which effectively shields the parking from the surrounding land uses; and public seating areas.

Community Benefits as described in the Voluntary Concessions (see Tab F of application package)

1. Commitment to reservation of residential component of project entirely for low and moderate income purchasers or renters.
2. Commitment to housing for older persons.
3. Commitment to 1800 square feet of commercial space and street level built with ceiling heights and flexibility to accommodate any future conversion of additional ground floor space to commercial space (provided parking is available).
4. Commitment to offsite improvements adjacent to the property as shown in the submitted plans.
5. Commitment to meet the intent of the City’s Design Guidelines

6. Commitment to negotiate in good faith other concessions in the course of application review

Wording of the voluntary concessions and conditions is likely to be amended during the review process..

***“The resulting development contributes to a vibrant, pedestrian-oriented environment, both on-site and in relation to adjoining properties, with street level activity throughout the day and evening.”***

There is some work remaining to be done to tie together the concepts for a public space to the City’s streetscape vision. That work will proceed through the board and commission referral and will include establishment of appropriate pedestrian linkages. The inclusion of ground level commercial space is very limited in this development, and the applicant has been asked to strengthen the visual and physical linkages particularly with the Maple Avenue aspect of the project. In addition, the applicant has been asked to improve linkages to the properties at 360 and 370 S. Washington, and to better relate with its rear elevation to the adjacent properties.

***“The resulting development offers creative use of landscaping, open space and/or public parks, public plazas, and walkways connecting to adjoining properties.”***

This project will offer limited open space, but will provide a small public plaza area and streetscape features as well as a private landscaped open space area for project residents atop the underground garage. Public streetscape is proposed to be constructed along the South Maple Avenue frontage. Other proposed public improvements include a sidewalk along reopened West Fairfax Street. No public parks, plazas or connections to adjacent properties are proposed.

***“The resulting development provides a variety of commercial services and products that are attractive to and meet the needs of all city residents for entertainment, art, recreation, dining, retail, and an array of consumable goods.”***

The proposed project does not provide commercial/retail services either for the project or the larger community...1800 square feet of office space is proposed.

***“The resulting development encourages local or independent businesses.”***

Other than a future tenant for the 1800 square foot space, no actual market retail or other business would be using the first floor space.

***“The resulting development provides for a reduction of single-use parking requirements through the use of shared parking.”***

Shared parking is very limited on the proposed site. The applicant proposes to park the senior affordable units at .5 spaces per unit and the commercial office space at the minimum required rate per current code. The applicant’s submitted parking study demonstrates that four substantially similar projects in our region (low income senior housing a mile or more from Metro) have parking demands that would be met by the parking proposed by the applicant at .5 parking spaces per unit provided the property remains limited to low income seniors. The applicant has provided in their response

document to staff comments (Attachment 4) further information on the projects used in this study to determine, for example, what transportation demand management measures are carried out in their facilities and if there are shuttles or zip cars for residents to use. The current code requirements for parking reduction require the reduction to be reviewed by the Planning Commission at the conclusion of the project review, during site plan review. A concurrent zoning text amendment is being processed that would provide for a special exception process for parking reduction to move it up in the discussion of the project in a more holistic way. The provided parking study will meet the requirements of the special exception, and the applicant will work with staff to create a spectrum of parking demand management measures to further mitigate any potential impacts of a parking reduction.

***“The resulting development encourages multi-modal transportation through design and other techniques, to reduce the reliance on single-occupancy vehicles, and utilizes sheltered stops for mass transit whenever feasible.”***

The applicant has been specifically asked to better address the accessible linkages to transit in the final design.

***“The resulting development utilizes LEED criteria in the design of the project.”***

The applicant has committed to EarthCraft Homes Multifamily-VA standards and to Enterprise Green Communities standards, and has scheduled a charrette to solidify its options with respect to a green roof and other components of green building.

FISCAL IMPACT: See Fiscal Impact Analysis provided in Attachment 1 and Financial Overview in Attachment 3.

TIMING: The schedule provided to the Council at worksession is expected to result in final consideration on February 22, 2010 to meet deadlines for financing approval through VHDA.

Attachments:

1. Application Package (Previously Distributed to Council)
2. Parking Study (Previously Distributed to Council)
3. Financial Overview (Previously Distributed to Council)
4. Applicant Response Memo to Preliminary Staff Comments

( TR10-09)

RESOLUTION TO GRANT A SPECIAL EXCEPTION FOR  
RESIDENTIAL DEVELOPMENT WITHIN MIXED USE PROJECTS  
UNDER SECTION 48-90 IN A B-2, CENTRAL BUSINESS DISTRICT  
ON .64 ACRES OF LAND LOCATED AT 350 SOUTH  
WASHINGTON STREET

WHEREAS, Chapter 48, "Zoning," of the Code of the City of Falls Church provides for a special exception process within the business districts for a mixture of residential uses and commercial development;

WHEREAS, an application for a special exception for residential uses in a mixed use project has been submitted for "The Wilden", by CC South Senior Apartments, LP (the Developer) in order to construct a mixed-use development consisting of 66 affordable rental residential apartments for seniors at least 62 years of age and a minimum of 1,800 square feet of commercial space on .64 acres of property; and

WHEREAS, numerous City Boards and Commissions reviewed the special exception(s) at public meetings and provided advisory comments; and

WHEREAS, the application for this special exception has been referred to the Planning Commission, which held public hearings on \_\_\_\_\_, 2010 and \_\_\_\_\_. 2010; and

WHEREAS, the Planning Commission provided its recommendation of \_\_\_\_\_ on TR10-09 that included the voluntary development conditions, on \_\_\_\_\_; and

WHEREAS, the City Council duly advertised and conducted public hearings to receive public comment upon the request for this special exception(s) on \_\_\_\_\_; and

WHEREAS, the City Council considered the application, the requirements of Section 48-90 of the City Code, the recommendation of the Planning Commission, comments from boards and commissions, and public comments; and

WHEREAS, the City Council considered the subject property's unique characteristics and the community benefits derived as a result of the subject property's proposed development, and determined that this particular project is acceptable for this parcel at this time, with the understanding that a similar project might not be appropriate on another parcel; and

WHEREAS, the City Council considered state law regarding special exceptions, specifically, that special exceptions can be granted by the local governing body subject to conditions pursuant to Code of Virginia Sec. 15.2-2286(A)(3) that allows their issuance "under suitable regulations and safeguards" and that each special exception case shall rest on its own merits and the uniqueness of each piece of land; and in particular, that the ratio of commercial and residential uses approved herein are unique to this site; and

WHEREAS, the City Council also considered the public interest in improving the subject property as part of the City's affordable housing goals to support redevelopment opportunities that add new affordable housing units in the city and meet specific identified affordable housing needs; and

WHEREAS, the Developer has submitted voluntary development conditions for the proposed special exception development to the City in order to further provide consistency with the City of Falls Church's Adopted Comprehensive Plan and Policies, and primarily the affordable housing goals; and

WHEREAS, the City Council finds that the proposed project has met the primary criteria as listed in Section 48-90(d)(1)(a) of the Falls Church City Code as follows: 1) that the resulting development generally conforms with the City's adopted Comprehensive Plan and Design Guidelines; and

WHEREAS, the City Council finds that finds that the proposed project has met the primary criteria as listed in Section 48-90 (d) (1) (d) that the resulting development in which 75% percent or more of its residential units qualify as affordable housing for low and moderate income purchasers or renters; and

WHEREAS, City Council finds that finds that in accordance Section 48-90 (d) (1) (d) the proposed development shall be exempted from primary criteria 2 and 3, although the criteria are still to be considered in the overall analysis; and

WHEREAS, the City Council also finds that the secondary criteria as listed in Section 48-90 (d) (2) of the City Code have also been met; Specifically the resulting development does not overburden the existing community facilities; the development provides the important community benefit of senior affordable housing; the development contributes to a vibrant, pedestrian-oriented environment, both on-site and in relation to adjoining properties; the resulting development encourages transit use through its close proximity Metro bus stops, and the resulting development utilizes LEED criteria in the design of the project; and

WHEREAS, the Applicant has requested a parking reduction through a concurrent special exception process, subject to its approval, or through the site plan approval process in conformance with the requirements of Chapter 48 by providing a parking study that supports a reduction in the off-site parking and loading requirements;

NOW, THEREFORE, it is hereby RESOLVED by the City Council of the City of Falls Church, Virginia, that the request for special exception is hereby granted and approved in order to allow a mixed-use development consisting of

66 affordable, rental residential apartments for seniors at least 62 years of age and approximately 1,800 square feet of first floor non-profit office, client program, amenity/common space on .64 acres of land subject to the following conditions:

1. the Developers Voluntary Concessions, Terms and Conditions for “The Wilden” dated November 20, 2009 is incorporated herein by reference and marked as Exhibit No. 1; all the terms and conditions thereof shall be a condition for the issuance and approval of the Special Exception; and the City Manager is hereby authorized and directed to execute the Developer’s Voluntary Concession, Terms and Conditions on behalf of the City.
2. The project shall be developed in substantial conformance with the applicant’s final preliminary site plan dated \_\_\_\_\_ and architectural renderings dated \_\_\_\_\_.
3. The applicant shall obtain either approval of a Special Exception for Off-Site Parking and Loading (subject to concurrent approval of a zoning text amendment for such exception) or a reduction in the required parking at site plan subject to Planning Commission approval and in no case less than .5 spaces per senior affordable dwelling unit.

1<sup>st</sup> Public Hearing: 01-11-10

2<sup>nd</sup> Public Hearing: \_\_\_\_\_

(TR10-09)